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28 March 1953

Memorandum for: The Director

Subject:

Senate Permanent Subcommittee on Investigations (McCarthy Committee).

- 1. Under the Legislative Reorganization Act of 1946 and the Rules of the Senate there was established a Senate Committee on Expenditures in the Executive Departments. (The name of this committee has now been changed to the Committee on Government Operations and is under the chairmanship of Sen. McCarthy.) Its jurisdiction encompasses budget and accounting measures other than appropriations, reorganizations in the Executive Branch of the Government, and studying the operation of Government activities at all levels with a view to determining their economy and efficiency. In addition, during World War II there was established a Special Committee to Investigate the National Defense Program, which became known as the Truman Committee. After the war, the functions of this Special Committee were transferred to the Senate Committee on Expenditures.
- 2. The broad grant of authority under the Senate Rules which authorizes the Senate Committee on Government Operations to make studies and investigations of the operation of Government activities at all levels was delegated by the full Committee to its newly formed Permanent Subcommittee on Investigations. The Subcommittee was also assigned the old functions of the Truman Committee, noted above. In addition, it has become Senate policy to refer to the Subcommittee any complaints or reports of irregularities in the Executive Branch of the Government which call for extensive investigation and often involve matters coming within the jurisdiction of more than one committee. The Permanent Subcommittee on Investigations is presently headed by Senator McCarthy, who is also head of the full Committee on Government Operations.
- 3. In Senate Report No. 5, Activities of the Senate Committee on Government Operations, issued in January 1953 (copy attached), it is noted on page 62 that the Subcommittee on Investigations states that it "is available and equipped to make inquiries;

in various matters involving the Executive Branch of the Government." The Subcommittee notes that this includes matters not only initiated by it but also cases referred to it by other Senate Committees or individual Senators, and it adds that "It is the intention of the Subcommittee to continue to make available for the Senate this investigative service in those matters coming within its jurisdiction." The Subcommittee further notes that it "has followed the policy of holding public hearings only after preliminary inquiries have indicated a factual basis and the need for such hearings."

- 4. Under Senate Resolution 40, agreed to on 30 January 1953, \$189,000 of additional funds were authorized for the expenses of the Committee. In Senate Report No. 19 (copy attached) which accompanied S. Res. 40, it was noted that the Fermanent Subcommittee on Investigations "will inquire into the administration of Government agencies to see wherein certain economies may be effected. It is also intended that certain aspects of improper influence in Government shall be investigated, but any inquiries undertaken will in no way interfere or transgress those investigations which other Senate and House of Representatives committees may be engaged in making in comparable areas of Government operation, such as subversive activities."
- 5. It is thus noted that the charter of the Senate Fermanent Subcommittee on Investigations of the Committee on Government Operations is extremely broad. Some jurisdictional disputes are beginning to appear in connection with the investigations on Communists in Government and the Voice of America. Under the increase of funds approved in connection with S. Res. 40, the staff of the Subcommittee is being increased from 12 to 23 persons. A list of the members is attached.

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